

# EXHIBIT L

*Nelson et al. v. Walsh et al.*

Case No. 9:20-cv-00082-DWM

**NOTICE OF DISPOSITION OF COLLATERAL BY PUBLIC SALE**

BY ELECTRONIC MAIL AND OVERNIGHT MAIL

To: Hyperblock, LLC  
140 Yonge Street, #209  
Toronto, ON M5C 1X6  
Attention: Inder Saini  
inder@hyperblock.co

Hyperblock, Inc.  
2 St. Claire Avenue East, Suite 1100  
Toronto, ON M4T 2T5  
Attention: Hans Rizarri  
hans.rizarri@crowesoberman.com

Bank of Montana  
125 Bank Street, Suite 100  
Missoula, MT 59802  
Attention: Daniel Day  
dday@bankofmt.com

Bonner Property Development, LLC  
224 N. Higgins Avenue  
Missoula, MT 59802  
Attention: Stephen Nelson  
bsmcorpmt@gmail.com

**PLEASE TAKE NOTICE THAT** Project Spokane, LLC (“Project Spokane”) and Sean Walsh (“Walsh,” together with Project Spokane, the “Lenders”) will conduct a disposition of the below described collateral by public sale in accordance with the provisions of the New York Uniform Commercial Code Section 9-601, et. seq., as follows:

- a) **Debtor**: The debtor is Hyperblock, LLC (“Borrower” or “Hyperblock”).
- b) **Secured Party**: The secured parties are Project Spokane and Walsh.
- c) **Agreements Pursuant to Which the Sale is Held**:
  - i. That Secured Promissory Note dated June 19, 2019, by and between Walsh, on the one hand, and Borrower and Hyperblock, Inc., on the other (the “Walsh Note”).
  - ii. Security Agreement dated as of June 19, 2019, by and between Walsh and Borrower (the “Walsh Security Agreement”).

- iii. That Secured Promissory Note dated July 10, 2018, by and between Project Spokane, on the one hand, and Borrower and Hyperblock, Inc., on the other, (the “Project Spokane Note”).
  - iv. Security Agreement dated as of February 1, 2019, by and between Project Spokane and Borrower (the “Project Spokane Security Agreement,” together with the Walsh Note, Walsh Security Agreement, Project Spokane Note and all other agreements, instruments, and other documents executed in connection with or relating to the Walsh Note and Project Spokane Note, the “Loan Documents”).
- d) **Date, Hour and Place of Sale:** Telephonic auction to be held on June 3, 2020 at 12:00 p.m. Eastern. Dial-in number: (712) 770-5027. Access code: 315468.
- e) **Description of Property to be Sold:** All of the Borrower’s right, title and interest in and to Borrower’s personal property including, without limitation, all of Borrower’s equipment and fixtures (collectively, the “Property”). Lenders have a first priority security interest in the Property. The total amount due to Project Spokane is approximately CAD\$5,468,750.00 and the total amount due to Walsh is approximately US\$2,187,500.00. Project Spokane may bid for the Property and credit bid against all or a portion of its secured claim. Together with Project Spokane, Walsh may bid for the Property and credit bid against all or a portion of his secured claim. **The Property will be sold free and clear of Lenders’ liens and any subordinate security interests in the Property, including any lien of Bank of Montana and Bonner Property Development, LLC.**
- The Property includes the assets set forth on Schedule “A” attached hereto.
- f) **Participation Requirements:** In order to participate in the bidding process, each person (a “Potential Bidder”) must deliver to the undersigned counsel to Lenders:
- i. an executed confidentiality agreement in form and substance satisfactory to Lenders, which form can be obtained by contacting undersigned counsel for Lenders; and
  - ii. current financial statements of the Potential Bidder that will show sufficient assets to be able to close on a purchase of the Property or other evidence of the ability to purchase the Property.
- g) **Information and Due Diligence:** A Potential Bidder that complies with the foregoing requirements shall be deemed a qualified bidder (“Qualified Bidder”). A Qualified Bidder will be permitted to perform due diligence by contacting the undersigned counsel for Lenders. Lenders shall be deemed to be a Qualified Bidder.
- h) **Terms of Sale:** At the Sale, the Property shall be offered for acquisition by Qualified Bidders. The Property will be sold at a public auction to the highest Qualified Bidder. The Property shall be sold for cash at such price or prices and on such other commercially reasonable terms as Lenders may determine in their sole discretion. Higher

bids will continue to be entertained until Lenders have determined that they have received the highest or best bid for the Property in their sole discretion. Lenders shall be permitted to bid, both jointly or separately, at the sale and, notwithstanding any requirement herein that the sale of Property be for cash, may credit their bid against all or a portion of their secured claims and become the purchaser of the Property. Lenders reserve the right to reject all bids and terminate the sale or adjourn the sale to such other time or times as they may deem proper only by announcement on the date of sale or any subsequent adjournment thereof without further publication and impose any other commercially reasonable conditions upon the sale of the Property as they may deem proper. Payment will be accepted in cash, certified or cashier's check, corporate, partnership or personal check of a corporation, partnership or person and presented with a letter of reference from the bank on which the check is drawn, money order, or, in the case of purchase by Lenders, credits against amounts due under the Loan Documents. Payment must be made in full at the time and place of the sale, or on such other terms as agreed by Lenders in their sole discretion. The sale of the Property shall be effectuated by delivery of a Secured Party Bill of Sale.

- i) **No Warranties:** The Property will be sold "AS IS, WHERE IS," "WITH ALL FAULTS," and "WITHOUT ANY WARRANTIES WHATSOEVER, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, A WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OTHER PURPOSE," and subject to taxes, special assessments and liens that have been levied or assessed, and/or are unpaid or unsatisfied (none of which will be paid by Lenders). The Property is being sold without recourse to Lenders, their attorneys or representatives. Lenders do not claim title to the Property being sold hereunder and disclaim any warranty of title, possession, quiet enjoyment and the like in the sale.
- j) **No Fees Payable:** No person shall be entitled to any expense reimbursement, brokerage fee, break-up fee, topping, termination or similar fee or payout from the proceeds of the sale.
- k) **Right to Accounting:** Pursuant to the requirements of New York Uniform Commercial Code Section 9-613, Borrower and Hyperblock, Inc. shall be entitled to an accounting of the unpaid principal indebtedness secured by the Property. An accounting may be requested by calling the undersigned counsel for Lenders.
- l) **Right to Redeem:** Until the earlier of (1) the effectuation of the public sale of the Property or (2) the execution of a contract for sale of the Property, Borrower shall have the right to redeem the Property by payment or fulfillment of all obligations under the Loan Documents, together with payment of all additional expenses incurred by Lenders.

- m) **Postponement of Public Sale**: The public sale scheduled on the above date, time and location may be postponed. In such event, an announcement of postponement of the scheduled sale will be made by Lenders at the currently proposed date and time of the sale.

Dated: May 19, 2020

ITO LAW GROUP, P.C.

*Peter Ito*

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Attorneys for Project Spokane, LLC, and  
Sean Walsh

## SCHEDULE “A”

Item	Quantity	Notes
Bitmain Antminer S17 Servers, with PSU	791	including PSUs
Bitmain Antminer S17 Pro Servers, with PSU	359	including PSUs
Bitmain Antminer S17+ Servers, with PSU	1493	including PSUs
Bitmain Antminer S9 Servers, with PSU	6641	including PSUs
Bitmain Antminer T17 Servers, with PSU	726	including PSUs
Avalon921 Servers, with PSU	162	including PSUs
GPU Servers, with PSU	161	including PSUs
Acme Engineering, 36" Fans	423	
Grainger/ACME Engineering 42" Fans	30	
ACME Engineering 60" Fans	14	
2,500 kVA Indoor Switchgear Lineups	8	
500 kVA Indoor Transformers	55	
750 kVA Indoor Transformers	3	
Misc PDUs	3124	
225A Breaker Panels	339	
400A Breaker Panels	6	
Electrical Cabling		enough to run 13,000 servers
Rack Shelving		560 racks, 8' wide, 9' tall
Computer Network Equipment		enough to run 13,000 servers
New Delta 2400W PSU	6374	
Used Delta 2400W PSU	374	run for a couple months
Brand New Delta 2400W psu (with 10, 16" PCIe cables solder to it)	1420	